IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re PATENT APPLICATION of: Confirmation No.: 6075

BARNETT et al.   Group Art Unit: 3622

Serial No.: 09/879,823   Examiner: DURAN, ARTHUR D.

Filed: June 12, 2001

Title: METHOD AND SYSTEM FOR ELECTRONIC DISTRIBUTION OF PRODUCT REDEMPTION COUPONS

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May 31, 2005

REPLY BRIEF

Mail Stop Appeal Brief-Patents
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Sir:

I. INTRODUCTION

This Reply Brief is being filed within two months of the Examiner's Answer mailed

April 1, 2005. This Brief responds to the points raised by the Examiner's Answer.

A. The Status of the Claims

Claims 47-62 are pending in the application. Claims 47, 52, 57, and 61 stand rejected

under 35 U.S.C. §112, first paragraph. Claims 47-62 stand rejected under 35 U.S.C. §102(e)

as allegedly being unpatentable over U.S. Patent No. 5,227,874 to Von Kohorn.

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II.   RESPONSE TO EXAMINER'S ARGUMENTS

A.   The Examiner continues to erroneously allege that the specification fails to provide support for the claimed limitations.

1.   *The Examiner and Appellant's Representatives reached an agreement that support was made for claims 47, 52, 57, and 62.*

With regard to claims 47, 52, 57, and 62, the Examiner erroneously alleges that the specification fails to provide support for *"predetermined number of times"*. The Examiner alleges, on page 7, lines 13-16 of the Examiner's Answer, that the feature, "predetermined number of times" is properly rejected under §112 rejection, first paragraph, regardless of the acknowledged agreements made in the Interview Summary of June 3, 2003. As stated in the Interview Summary (Paper No. 8), "It is determined that the Applicant has support for setting the predetermined number of times to one, but not for any number greater than one." As such, the Examiner acknowledges support for setting a "predetermined number of times". Regardless of the actual number of times, support is shown in the specification for limiting redemption by setting coupon use at a predetermined number of times (e.g., to prevent fraud). *See* Specification at page 25 line 29- page 26 line 6 below:

> The unique user bar code 90 also renders the electronic coupon system of the present invention secure and virtually fraud-proof. Although a user is able to print out a particular coupon 18 only once (to be described in detail below), the coupon issuer 14 could still be defrauded by a user or retailer who might photocopy a printed coupon numerous times and fraudulently and repeatedly present it for redemption. However, in accordance with the present invention, each coupon printed by a user is unique, and the scanning of a coupon presented for redemption will be stored at the coupon redemption center. Thus, the coupon issuer will know if a particular user has redeemed a particular coupon and thus disallow further redemption of a photocopied coupon bearing the same indicia. **page 25 line 29- page 26 line 12**

Appellant uses the words "numerous times" not just "more than once," in part as recognition that it may be okay to limit a user to some number other than one. For example, it is common to limit to no more than two per customer. The use of "one" in the specification

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is by way of example only. Nothing in the Specification dictates that the number of times must be one.

Appellant further discloses a *"predetermined number of times"* by limiting redemption of coupons to a predetermined number of times based on the mapping of coupon package to a group of users. Appellants' Specification shows that an analysis of users preferences, which include demographic responses, coupons selected by the user, coupons printed by the user, and, coupons redeemed by the user, can be used to create and map a coupon package to a target audience. For example, Specification states at page 29, lines 1-7, page 29, lines 14-18, and page 30, lines 1-5:

> Referring to FIG. 10, the generation of coupon data packages by the coupon distributor 16 will be explained. The information collected by the coupon distributor 16 from the online service provider 2 regarding the coupon data selected by the user, the coupon data printed by the user, and the requested demographic information is stored in a database 11. **page 29 lines 1-7**

> The information stored in the database 11 is input to the marketing and targeting analysis means 17, which carries out the function of analyzing the aforementioned information in a manner known in the art to arrive at different coupon packages. **page 29 lines 14-18**

> The analysis means also provides specific mapping information which will instruct the online service provider as to which user should be provided with which package(s). For example, user 1 may be mapped to coupon data packages 2 and 3; user no. 2 to packages 3 and 6, etc. **page 30 lines 1-5**

As such, it is clear that the coupons within the package can only be redeemed by the limited number of users who are mapped to the coupons. As demonstrated in the Specification, the same coupon package can be distributed to a group of users, therefore, limiting redemption of each coupon in the package to a predetermined number of times corresponding to the number of users in the group. This can function as an important feature for coupon issuers who may wish to limit the total discount provided by a coupon by limiting the number of times it can be used to match the number of users who receive the coupon. Thus, total coupon discount on a product is capped to a certain amount. It is well known that brand managers often seek to cap the number of coupons for a given campaign.

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2.   *The Examiner's Response to Arguments Regarding No Support*
      For Claims 47, 52, 57, 61, and 62 are incorrect.

With regard to claims 47, 52, 57, and 62, the Examiner erroneously alleges that the specification fails to provide support for *"preferences of respective users stored in the respective user's devices"*. On page 7, lines 19-20 of the Examiner's Answer, the Examiner asserts that, "There is no statement of "preferences" or any derivative of "prefer" in the Specification." With this, the Examiner has created his own 35 U.S.C. §112, first paragraph requirement which is entirely inconsistent with the established requirements of 35 U.S.C. §112 rejection, first paragraph.

For example, to satisfy the written description requirement of 35 U.S.C. §112, first paragraph, an applicant must "convey with reasonable clarity to those skilled in the art that, as of the filing date sought, he or she was in possession *of the invention*. The invention is, for purposes of the 'written description' inquiry, *whatever is now claimed."* *Vas-Cath Inc. v. Mahurkar*, 935 F.2d 1555, 1563-1564, 19 U.S.P.Q. 2d (BNA) 1111, 1117 (Fed. Cir. 1991) (emphasis in original).

To satisfy the written description requirement, it is not necessary for the claimed subject matter to be described in haec verba in the specification. *University of Rochester v. G.D. Searle & Co., Inc.*, 358 F.3d 916, 922-923, 69 U.S.P.Q. 2d (BNA) 1886, 1892 (Fed. Cir. 2004). Rather, "the written description requirement can be satisfied by 'words, structures, figures, diagrams, formulas, etc.'" *Koto Manufacturing Co., Ltd. v. Turn-Key-Tech, LLC*, 381 F.3d 1142, 1154, 72 U.S.P.Q. 2d (BNA) 1190, 1199 (Fed. Cir. 2004) (quoting *Lockwood v. Am. Airlines, Inc.*, 107 F.3d 1565, 1572, 41 U.S.P.Q. 2d (BNA) 1961, 1966 (Fed. Cir. 1997)).

As such, even if the word "preferences" or any derivative of the word "prefer" is not expressly used in the Appellants specification, the concept is fully supported. For example, coupons selected by the user clearly suggests that the user prefers the chosen coupons and the products or services associated with the coupons. Thus, Appellants disagree with the Examiner's statement on page 8, lines 4-5 of Examiner's Answer stating that "...user selection of coupon information is not the same as user preferences..."

For example, according to one embodiment, Appellants' Specification disclose that a record may be kept of each coupon *selected* by the user. Selected coupon data is "preference

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data" and can be stored at user device. Page 24, line 29-page 25, line 5 of Appellants' Specification disclose:

> A record is kept by the upload routine 32cc indicative of each coupon selected by the user and each coupon printed by the user. This record is sent to the demographic data file 42 in the online service provider 2, and is used for marketing analysis along with data regarding which coupons were actually redeemed, which information is obtained from the manufacturers' redemption agency or center. **Page 24 lines 29-page 25 line 5**

Furthermore, the Examiner's Answer incorrectly alleges that "The Specification discloses collecting demographic information from the user but only discloses storing demographic information at a central location", at page 11 lines 5-6. As demonstrated above, preferences can be recorded and stored at the user computer by the coupon upload routine (32cc), which can include demographic data such as coupon selection data, coupon deletion data, and/or coupons printed data, among other things. As such, preference data can be demographic data that can be processed either offline or online. During offline processing, the user's computer can store demographic data, and when the user's computer goes online, stored demographic data can be sent to the central location. Demographic data from the user's computer may then be used to determine target audience (e.g., based on the preferences reflected by the stored data) At pg. 8, line 17-25 and pg. 9, lines 17-20, the Specification states:

> It is a further object of the present invention to provide such an electronic coupon distribution system which allows the coupon issuing companies to access valuable information directly from the consumer without requiring specific and additional actions by the consumers but rather by using the information from the user's personal computer regarding the consumer's selection, printing, and actual redemption of coupons, as well as responses to demographic queries posed to the users. **See Spec. pg. 8, line 17-25**

> It is a still further object of the invention to provided an efficient, low cost, zip-code/lifestyle/lifestage of household targeted coupon distribution system to tailor the incentives to each user. **See Spec pg. 9, lines 17-20**

Page 11, lines 20-22 of the Examiner's Answer further states: "analysis at the central location is necessary to determine any profile or adequate targeting information for uses. And, the profile or adequate targeting information is stored at the central location not the user's device." This is an incorrect characterization of Appellant's specification. Nowhere

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in the specification does it say that "analysis at the central location is *necessary...*". There is no determination of *adequate* targeting information. Rather, marketing analysis for targeting coupons can be based on many sources (e.g., preferences stored at the user's computer) *See* Specification, e.g., pg. 29 lines 25-27, pg 30 lines 8-10.

For the reasons presented above, claims 47, 52, 57, 61, and, 62 have support for each of the claim elements and satisfies the requirements of 35 U.S.C §112, first paragraph.

3. *The Examiner's Response to Arguments takes an inconsistent position with respect to claim rejections.*

The Examiner alleges on page 8, lines 4-5 of the Examiner's Answer, that there is no support for "user preferences" because, "...user selection of coupon information is not the same as user preferences..." However, the Examiner then goes on in the §103(a) rejection to rely on the coupon selection information of Von Kohorn to allegedly disclose "user preferences". *See* Examiners Answer on page 13 lines 19-22 which states, "Additionally, Von Kohorn discloses storing user coupon selection information on the users device and the coupon selections represents users desires."

Thus, the Examiner is inconsistent in his interpretation of "user preferences" and has rejected the limitation in two opposing ways. In the 35 U.S.C. §112 rejection, user selection is not regarded as user preference, but in the 35 U.S.C. §102, it is. Clearly, the Examiner cannot have it both ways.

C. **The Examiner has Incorrectly Applied the Alleged Teachings of the Von Kohorn Reference to the Claims.**

1. *Von Kohorn Does Not Disclose Each and Every Claim Feature*

a. "...determining a target audience of one or more users of devices coupled to a network, wherein the target audience is determined based on one or more preferences of the users stored in the respective users devices...." (claim 47, 52, 57, 61, and 62)

With regards to claims 47, 52, 57, 61, and 62, the Examiner continues to argue (see Examiner's Answer at page 12, line 20- page 14, line 7) that Von Kohorn discloses storing user preferences at the dispenser unit. However, the claims recite "...*determining a target*

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audience...based on one or more preferences of the users stored in the respective users devices." None of the passages relied upon by the Examiner in Von Kohorn disclose determining a target audience based on stored preferences. Rather, as cited by Examiner, column 99 lines 57-64 of Von Kohorn state:

> This effectively flags those items which are on sale or available at discount. The computer 804 (or a comparator 372 or 374 in the case of use of the response unit 210 of FIG. 8) compares the respondent's entries with the flagged items, and then indicates a match by a suitable indication such as by sounding the bell, and by leaving a message on the display 358 of the response unit. **column 99 lines 57-64**

As such, users select their interests and if broadcast promotional items match the user's selected interest, the user is notified. It is important to remember that Von Kohorn utilizes a television broadcast system, this is different from the present invention where pre-selected coupons are sent directly to a predetermined target audience. As such, in Von Kohorn, the user is not being targeted. Instead the user receives a listing of *all* coupons and discounts in the broadcast and can be notified if any one of *all* the coupons or discounts matches a selected user interest. This alert system is very different from targeting. Thus, Von Kohorn does not show targeting a user based on stored preferences.

With regard to claims 47, 52, 57, 61, and 62, the Examiner's Answer also responds to Appellants' Brief of Appeal by alleging that Von Kohorn discloses the claim element for targeting an audience based on preferences stored at the user device (see Examiner's Answer at pages 18-20). The Examiner alleges that the following citation from Von Kohorn discloses the claim elements: (1) col. 105 line 65- col. 106 line 10; (2) col. 78 lines 40-52; (3) col. 81 lines 5-23; (4) col. 1 lines 36-43; (5) col. 10 lines 58-64; (6) col. 19 lines 5-21; (7) col. 22 lines 27-35; (8) col. 103 lines 35-41; and (9) col. 105 lines 17-30. None of these passages, as cited below, appear to disclose determining a target audience based on user preferences stored at a user device.

> The coupons dispensed to each individual are either redeemed by said individual or are turned over to the family head, the family shopper or other designated person. The coupons requested, as compiled on the cumulative record, reflect as a minimum each person's desire to receive the selected item. Although some of the coupons, such as those dispensed to children, may not be redeemed once the family shopper has entered the store, valuable information as to each person's desires is collected by the promoters of these

programs and can be followed by promotions targeted with rifleshot precision. **col. 105 line 65- col. 106 line 10**

The methods described lend themselves well to narrow-casting. The term narrowcasting is defined as the ability to transmit product or service information to a select group of members of a broadcast audience. The present method described, which dispenses prizes to individuals intending to purchase a specified product or products, narrowcasts product information because only viewers with a discount incentive will use the product information. Conversely, product information will use the product information. Conversely, product information can be utilized only by viewers who have earned a prize through skill and have qualified for a discount applicable to a selected product. **col. 78 lines 40-52**

In the operation of the system described, a retailer prepares a listing of products selected for sales promotion in the target market. The products selected may be designated by name, but often are numbered and may be divided into categories. The products listings displayed at members, locations are grouped accordingly. If the product listing of a sponsor is lengthy, it can be displayed to members in successive segments or groupings. This is achieved by the use of known display and scrolling devices. Members' display devices may also be adapted to display and re-display successive listings of products or lists of numbered products in different categories as and when desired and such additional lists may be called up in sequence by a member of the broadcast audience until a desired product category and/or a specific product is displayed which a member intends to buy. **col. 81 lines 5-23**

Also, heretofore, there has been no technique available to market researchers to quantitatively measure on an individual or on a household basis the effect of variables affecting promotions, such as frequency and timing of stimuli, shopping inducements and their effect on different population segments. **col. 1 lines 36-43**

The term "user" of a recording medium as used herein includes viewers, listeners, and buyers of a recording medium such as video tapes, and the target audience intended to be reached by the commercial message. **col. 10 lines 58-64**

Thus, for instance, home participants may be asked to identify the soap opera character who earlier appeared in the program. Or home viewers of a sports program may be asked to name a player who just scored. These implementations of the system and accompanying awards to a correct answer are intended to increase the television and radio audience. Viewers of a soap opera or persons listening to a radio sports broadcast, constitute a highly targeted audience and as a result of the lower per-household cost, advertisers will be able to award more valuable coupons and prizes to successful respondents. Participants who have given an acceptable answer can be rewarded with a coupon of defined value to be redeemed in cash, or to be applied to the price of a specified product or to the price of any product in a

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specified retail outlet. Other forms of rewards, whether of commercial or symbolic value, may be devised. **col. 19 lines 5-21**

It should be understood that individual questions may vary with respect to the nature of the task, the type and particulars of acceptable responses, the difficulty level, the period of time allowed for responding, the kind and range of prizes, the weighting of responses, the composition of the target audience and other considerations. **col. 22 lines 27-35**

The present method has other important applications in the field of statistical analysis, one being the effect of different stimuli on groups of persons having the same characteristics and the other being the effect of an unchanged stimulus on different groups of persons. col. 103 lines 35-41

In this manner, the promoter of products can focus said promotional activities on targeted audiences and can avoid the dispensing of coupons carrying value consideration to individuals believed not to have a need for said products. **col. 105 lines 17-30**

For example, in col. 19 lines 5-21, Von Kohorn discloses a target audience based on viewers of a television program. Viewing a broadcast television program is not a stored preference. In fact, Von Kohorn discloses sending the home viewers of a certain program a question for which the home viewer must enter a response. Therefore, it is not enough to be part of a broadcast audience, the viewer must additionally answer a question correctly in order to receive any type of incentive. Thus, Von Kohorn does not show providing a coupon to the target audience. Rather a user must earn an incentive.

Also in col. 78, lines 40-52, Von Kohorn narrowcasts product information based on prizes and points earned by the user, not user preference data store at the user device. Additionally, narrowcasting does not provide coupon data to the target audience, instead product information is provided to users who has already earned a discount to a selected product by playing a game or quiz. As such, Von Kohorn clearly fails to disclose the aforementioned claim limitation.

> b. "...monitoring redemption of the one or more coupons such that each coupon may be used a predetermined number of times."

With regards to claims 47, 52, 57, 61, and 62, the Examiner's Answer alleges that Von Kohorn monitors redemption of the one or more coupons such that each coupon may be used a predetermined number of times. *See* Examiner's Answer at pg. 21, lines 1-3. The Examiner cites (1) col. 17 lines 10-13; (2) col. 20 lines 38-44; (3) col. 86 lines 10-25; and (4)

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col. 82 lines 34-44. These passages, as disclosed below, do not disclose limiting each coupon to being used a predetermined number of times.

> Each time a winning coupon is presented at a redemption center, the winner of such a prize is required to present the verification card. The numbers on the winning coupon and on the card are compared to verify their matching. **col. 17 lines 10-13**

> The machine readable card 48, or a one-time coupon which may be outputted by the dispenser 46, may be presented or redeemed for prizes by successful participants at a local store or other business establishment cooperating with the broadcaster. **col. 20 lines 38-44**

> It may also be printed on the coupon contained in the free-standing insert. In another version of the method, the preprinted coupons are provided with an identification, such as an alphanumeric or other code. Coupons dispensed to a prize-winning shopper by his or her response unit also are provided with an alphanumeric or other code. A shopper presenting a preprinted coupon and a prize-winning coupon having matching or correlated codes is entitled to an additional prize, which may be a sweepstake prize. The value of the additional prize is disclosed to such a shopper only at the sales outlet. All of the methods described will raise the redemption rates of coupons. **col. 86 lines 10-25**

> Prize coupons can be redeemed at a sales outlet specified on said coupon; other provisions may appear on coupons, such as dates and terms of redemption. A discount or other prize specified on a coupon may be made applicable to a group or mixture of products which includes the product specifically selected by the contestant, as well as other products to be promoted. Coupons may be redeemed in person, by mail, or by telephone using the validation code on the coupons to verify its authenticity. **col. 82 lines 34-44**

Rather, the passages relied upon by the Examiner appear to disclose a paper tape reel having 100 coupon sections which are fed into the printer of the response unit. Once the paper tape has been used up a new paper tape and card can be obtained. As such, the user of the response unit is limited to printing 100 total coupons per paper tape. The physical tape simply limits the number of *total coupons* that can be printed at a dispenser unit per tape. This is very different from limiting the use of *each coupon* to a predetermined number of times. Von Kohorn does not disclose a method for monitoring redemption of the one or more coupons such that *each coupon* may be used a predetermined number of times.

Regarding the remaining arguments, the Examiner's Answer fails to provide any substantial new arguments regarding Von Kohorn that were not already fully addressed in the Appellants' Appeal Brief. The comments presented in the Appeal Brief are relied upon here.

2.   Dependent claims 48-50, 53-55 and 58-60

The dependent claims have already been addressed in the Appellants Appeal Brief on page 17. Those arguments are relied upon here. Additionally, with respect to the dependent claims, the Examiner's Answer fails to provide any substantial new arguments that have not already been fully addressed in the Appeal Brief.

As such, the rejection of claims 47-62 under 35 U.S.C. §102(b) as being unpatentable over U.S. Patent No. 5,227,874 to Von Kohorn is improper and should be reversed.

C.   Examiner Fails to Declare an Interference between above-identified application, and U.S. Patent No. 6,075,971 to Williams et al.
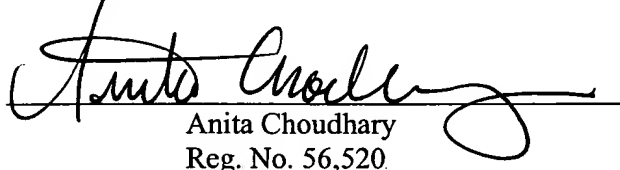
For at least the reasons that the claims are fully supported by the specification, patentable over the alleged prior art, and a copy of the issued claims of U.S. Patent No. 6,075,971 to Williams et al., an interference-in-fact exists. Accordingly, Appellants request that such an interference be declared between the above-identified application, and U.S. Patent No. 6,075,971 to Williams et al.

To the extent that the Examiner continues to allege unpatentability of the pending claims under 35 U.S.C. §102, Appellants note that the U.S. Patent Office, for consistency should institute a reexamination of U.S. Patent No. 6,075,971 to Williams et al.

Appellants now appeal to this Honorable Board to promptly reverse these rejections and issue a decision in favor of Appellants. All of the claims are in condition for allowance.

Respectfully submitted,
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